

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

MILLENNIUM TELECARD, INC., et al.,

Defendants.

Civil Action No.: 11-2479(JLL)(MAH)

**CERTIFICATION OF  
COURT APPOINTED MONITOR  
NICHOLAS R. AMATO, ESQ.  
IN SUPPORT OF HIS REQUEST FOR  
FEES, COSTS and PAYMENT OF  
PROFESSIONAL FEES**

NICHOLAS R. AMATO, of full age certifies as follows:

1. I am a an attorney at law, admitted to practice in the State of New Jersey, and am Of Counsel to the law firm of Genova, Burns & Giantomasi (“GBG”). On May 2, 2011, I was appointed as the Receiver for Millennium Telecard, Inc., and its affiliated entities (collectively “MTC”) in this matter. On August 16, 2011, per the Court’s Preliminary Injunction Order the role of the Court appointed Receiver was converted into that of a Monitor As such, and in carrying out my duties and authority as the Court appointed Receiver and subsequently as the Court appointed Monitor, I have personal knowledge of the facts herein.

2. My qualifications and hourly rate for professional services are set forth in my August 5, 2011 Certification, which I incorporate by reference herein.

3. Following my appointment as Receiver, it was clear the execution of my duties would require me to retain accountants/financial advisors and legal counsel.

4. As explained in my September 15, 2011 Certification [Docket Entry No.: 53-4], which I incorporate by reference herein, after the Court entered its Preliminary Injunction Order, it became apparent that I—as the Court appointed Monitor—would require continued professional

assistance from financial advisors and legal counsel. Accordingly, as explained further in my September 15, 2011 Certification, ¶¶ 6-8, I continued the retention of DeFalco & Company as financial advisors and accountants to the Monitor, and GBG as legal counsel to the Monitor. Both DeFalco & Company and GBG were retained pursuant to their regular rates for professional services.

5. As set forth in my August 5, 2011, September 15, 2011, October 12, 2011, November 15, 2011, and December 15, 2011 Certifications, I have reconfirmed that neither DeFalco & Company nor GBG had any conflict that prohibited them from assisting the Receiver in satisfying his obligations.

6. Both DeFalco & Company and GBG have provided me with periodic invoices of the professional services they provided to me both as Monitor. I have reviewed the invoices, and in my business judgment, the fees charged are commensurate with the services provided to both the Receiver and Monitor. I have enclosed certifications from DeFalco & Company and GBG with my Third Report of Court Appointed Monitor submitted to the Court, outlining their fees.

7. Both DeFalco & Company and GBG continue to provide the Monitor with professional services in this matter, and I anticipate receiving additional invoices from them as this litigation continues or winds down.

8. In fulfilling my duties and obligations initially as Monitor, I kept a log of the hours dedicated to managing MTC and its operations and business affairs, as well as my other obligations, pursuant the August 16, 2011 Preliminary Injunction Order. By employing GBG's billing system, I kept track of this time, separate and apart from the professional services rendered to the Receiver and Monitor by GBG.

9. From December 1, 2011 through December 31, 2011, I have provided a total of 15.0 hours to MTC as its Monitor. At my rate of \$450.00 per hour, this translates into a total of \$6,750.00

10. From December 1, 2011 through December 31, 2011, I incurred \$1.88 in expenses with respect to my duties as Montor.

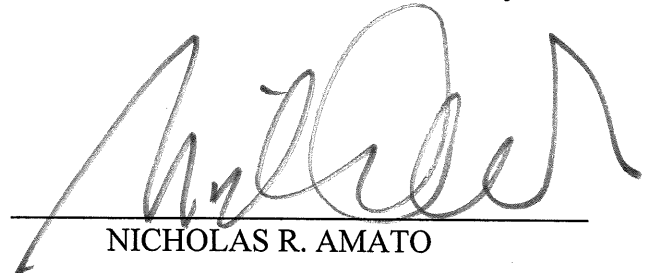
11. Attached hereto at Exhibit 1 is a true and correct copy of an invoice related to my activities as Monitor of MTC for December 2011.

12. With the filing of my Fourth Monitor's Report and the accompanying Certifications and Declarations, I respectfully request that the Court authorize payment to DeFalco & Company and GBG for professional services provided to the Monitor.

13. I also respectfully request that the Court approve payment of my professional fees for serving as Monitor, as more particularly set forth in the invoices attached hereto at Exhibit 1.

14. As such, I respectfully request that the Court approve an aggregate payment for the sum total of \$6,751.88

I declare under penalty of perjury that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



NICHOLAS R. AMATO

Dated: January 16, 2012

## **Exhibit 1**

**GENOVA, BURNS & GIANTOMASI**  
**494 Broad Street**  
**Newark, New Jersey 07102**  
**Telephone (973) 533-0777**  
**Tax ID# 22-2940404**

Nicholas Amato  
c/o Genova Burns & Giantomasi  
494 Broad Street  
Newark NJ 07102

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**PROFESSIONAL SERVICES RENDERED**

	Hours
12/01/2011	
NRA Telephone conference with Fadi Salim regarding accounts receivable; telephone conference with L. DeFalco regarding accounts receivable; telephone conference with L. DeFalco and J. Zabaneh, office manager MTC regarding compilation of list of customers with payment history who are indebted to MTC and refuse to pay; telephone conference with Fadi Salim regarding "Space Net" slamming MTC's 1-800 numbers; telephone conference with Fadi Salim and Rafik Mishreki, Mr. Salim's engineer regarding Space Net "slamming" MTC's 1-800 numbers and Mr. Mishreki slamming numbers back to MTC; receipt and review of documentation from Mr. Mishreki regarding slamming issues and forwarding same to RDP; telephone conference with RDP regarding "slamming" issue; receipt and review of emails between RDP, on behalf of Monitor to representatives of Castcom and Castcom	

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Hours

honoring LOA (Letter of Authority)  
regarding slamming issue; emails from RDP  
on behalf of the Monitor to Mr. Abboud of  
Space Net; email from Leonard Gleason,  
First VP & Associate Gen. Counsel  
Provident bank advising that documents  
forwarded are acceptable to open lock box  
and wire funds to SPS&K trust account;  
email from Ed Meritt, attorney for Net  
Work IP - Tele Comm regarding update as  
MTC having not made payment on past due  
balance; emails with L. Gleason, Assoc.  
Counsel Provident Bank regarding wiring  
of funds.

1.80

12/02/2011

NRA Receipt and review of email from J.  
Zabaneh, office manager MTC, attaching  
"sales invoice" from Space Net dates  
6/30/11 indicating that "1-800 numbers"  
were assigned to MTC and forwarding same  
to RDP; telephone conference with RDP  
regarding his conversation with Mr.  
Mishreki on slamming issue; telephone  
conference and email J. Zabaneh as to  
whether Space Net has office in USA;  
receipt and review of email from Mr.  
Abboud advising that he will not agree to  
hold-off on "slamming 1-800 numbers"  
until Monday; receipt and review of email  
from RDP to Mr. Abboud advising that  
unless he is prepared to forward proof to  
Monitor that Space Net has ownership  
rights to "1-800 numbers and he attempts  
to "slam" MTC, Monitor will move in  
Federal Court to enjoin such actions;  
receipt and review of email from J.  
Zabaneh attaching list of accounts  
receivable with notes and historical  
data.

1.10

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Hours

12/05/2011

NRA Receipt and review of research document from JJ regarding "ownership rights of 1-800 numbers" and related "slamming issue; follow-up telephone conference with JJ; email from J. Zabaneh regarding balance due Space Net; review with RDP regarding "slamming issue"; telephone conference with JJ regarding documentation offered by Space Net and addressing additional information raised in telephone conference with JJ; telephone conference with Fadi Salim regarding "slamming issue" and transfer of monies from lock box to SPS&K trustee account; telephone conference with Jennifer Zabaneh regarding multiple conferences with RDP regarding "slamming issue" and drafting Monitor's response to "Space Net's ownership claim to 1-800 numbers"; receipt and review of email from A. Gerezano of Space Net purporting to prove ownership to 1-800 numbers and forwarding same to JJ to review and comment; receipt and review of email memo disputing ownership documentation offered by Space Net; telephone conference with Robert Anguizola, Esq., attorney for FTC regarding proposed Third Consent Order modifying Preliminary Injunction; Mr. Anguizola advising that he can't conceive the FTC filing an objection to the proposed Order and suggest that Monitor file proposed Order with Court; multiple emails and telephone conferences with RDP regarding proposed Third Order Modifying Preliminary Injunction; conference with LB regarding random pin testing to be submitted by J. Zabaneh per order of Court; conference with JS answer accompanying Fadi Salim to remove funds

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Hours

from lock box at Provident bank in  
 Clifton and wiring funds to SPS&K trustee  
 account; telephone conference with L.  
 DeFalco collection of MTC's accounts  
 receivables; telephone conference with JJ  
 regarding "slamming issue".

2.40

12/06/2011

NRA Multiple emails and telephone conferences  
 with JS and Fadi Salim regarding transfer  
 of funds from lock box to SPS&K trustee  
 account; conference with RDP regarding  
 conversation with Robert Anguizola FTC  
 counsel regarding drafting of proposed  
 Third Consent Order modifying Preliminary  
 Injunction; conference, telephone  
 conference and emails RDP regarding  
 proposed third modification of Order to  
 be forwarded to Robert Anguizola together  
 with email from L. DeFalco commenting  
 recommending that the Monitor to  
 institute legal proceedings regarding  
 MTC, account receivables.

1.30

12/07/2011

NRA Receipt and review of email from LB  
 regarding review of random pin tests  
 submitted by J. Zabaneh and advising that  
 same are in compliance.

0.10

NRA Receipt and review from L. DeFalco  
 regarding Monitor addressing MTC's  
 account receivables and forwarding to  
 RDP; email to D. DePaola, Senior Legal  
 Process Coordinator E\*Trade Financial  
 requesting present value of Fadi Salim  
 account; receipt and review of requested  
 information; drafting and forwarding  
 email to D. DePaola with attached  
 documentation requesting wiring of funds  
 from Mr. Salim's E\*Trade account into



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Hours

SPS&K trustee account; email from J. LaRosa, Esq., SPS&K attorney for MTC acknowledging receipt of funds totaling \$500,000 on deposit in SPS&K trustee account representing part of settlement due FTC, per proposed Settlement Order; receipt and review of proposed draft Third Order Modifying Preliminary Injunction Order; providing comment and forwarding to RDP; receipt of final draft of proposed Third Order Modifying Preliminary Injunction and forwarding together with email from L. DeFalco to Robert Anguizola, Esq., attorney for FTC; telephone conference with Robert Anguizola, Esq. and Kati Daffan, Esq. advising that FTC will be objecting to proposed Third Order Modifying Preliminary Injunction.

1.20

12/08/2011

NRA Multiple emails with J. LaRosa, Esq. and M. Marotte regarding modification of proposed Third Order to modify Preliminary Injunction; receipt and review of revised proposed Third Order modifying Preliminary Injunction from J. LaRosa, attorney for MTC; receipt and review of email from LB attaching draft of fourth Monitors report with proposed certifications of L. DeFalco and Monitor; drafting and forwarding email to J. LaRosa attorney for MTC confirming prior telephone conference regarding proposed Third Order Modifying Preliminary Injunction; telephone conference with L. DeFalco regarding review of MTC's financial activities for month and discussion regarding report of financial advisor to Monitor; receipt and review of multiple emails between J. Zabaneh and

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Hours

Cima Telecom regarding disputed amounts  
 owed by MTC.

0.80

12/09/2011

NRA Receipt and review of email from L.  
 DeFalco attaching MTC cash analysis for  
 period 11/9/11 to 12/2/11; multiple  
 emails with J. LaRosa regarding Third  
 Order Modifying Preliminary Injunction  
 and telephone conference with Fadi Salim  
 regarding proposed fee structure for  
 Monitor to institute legal procedure to  
 collect account receivables; multiple  
 emails between J. Zabaneh and Cima  
 Telecom regarding ongoing issue of  
 disputed amount owed by MTC.

0.60

12/14/2011

NRA Receipt and review of draft Monitor  
 fourth report - providing comments and  
 additions and forwarding redlined version  
 to LB, RDP; receipt and review of email  
 from RDP attaching draft of KBE  
 certification of GBG fees; multiple  
 emails with RDP regarding Monitor fourth  
 report and certification.

0.60

12/15/2011

NRA Email from L DeFalco regarding MTC prior  
 week's cash flow analysis and  
 recommending that steps be initiated to  
 execute more aggressive approach to  
 collections accounts receivable;  
 conference with LB regarding revisions to  
 fourth Monitor's report; email from J.  
 LaRosa, Esq., attorney for MTC attaching  
 proposed third Order amending Preliminary  
 Injunction; contingent fee agreement;  
 covering letter to Court; review of  
 editing above documents and forwarding  
 redlined version to RDP; forwarding

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Hours

redlined version of comments to letter to Court and retainer agreement to J. LaRosa; telephone conference with J. LaRosa regarding same; emails with RDP regarding LaRosa's covering letter to Court; review of draft of fourth Monitor's report and Certifications of Monitor and L. DeFalco, editing same and forwarding redlined version to LB; receipt and review of draft Certification of KBE regarding fees for GBG; multiple emails with LB regarding fourth Monitor's report; receipt and review of final Monitor's fourth report with attached certifications, executing report and Monitor's Certification and request counsel to file with the Court.

1.10

12/16/2011

NRA Email from J. LaRosa, attorney for MTC regarding final edits to retainer agreement; executing same and forwarding to J. LaRosa, Esq.; receipt and review of email from J. LaRosa, Esq., attorney for MTC attaching letter to Court with proposed third Order amending Preliminary Junction filed electronically with the Court; receipt and review of email from FTC counsel to J. LaRosa, again objecting to proposed Order and requesting that J. LaRosa connect obvious error proposed Order; receipt and review of email from J. LaRosa advising the Court of error and acknowledgement of receipt of email by Court.

0.30

12/19/2011

NRA Telephone conference with L. DeFalco regarding impact of shutdown of MTC for nine days and subsequent efforts to stay complaint; lagging collections from

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Hours

customers who sense demise of MTC and  
 looking to beat paying for products  
 received and sold; receipt and review of  
 letter from FTC counsel objecting to  
 proposed third Order to modify  
 Preliminary Injunction filed  
 electronically with the Court; multiple  
 emails with J. LaRosa, Esq., attorney for  
 MTC regarding FTC objections to proposed  
 third Order Modifying Preliminary  
 Injunction.

0.40

12/20/2011

NRA Conference with LB regarding FTC  
 objection to MTC's proposed third  
 amendment to Preliminary Injunction;  
 multiple emails with J. LaRosa, attorney  
 for MTC.

0.40

12/21/2011

NRA Multiple emails with J. LaRosa, Esq.,  
 attorney for MTC; LB and RDP regarding J.  
 LaRosa's letter to the Court; forwarding  
 FTC's objection to MTC's third amendment  
 to Preliminary Injunction to L. DeFalco  
 together with J. LaRosa's letter to the  
 Court; telephone conference with J.  
 LaRosa regarding Monitor's letter to  
 Court regarding MTC's proposed third  
 amendment to Preliminary Injunction;  
 receipt and review of email from LB  
 attaching draft of Monitor's letter to  
 Court regarding MTC's request for  
 proposed third modification of  
 Preliminary Injunction; making edits and  
 comments and forwarding (redlined  
 version) to LB; telephone conference with  
 L. DeFalco regarding his comments and  
 recommendation.

0.60

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Hours

12/22/2011

NRA Receipt and review of email from LB incorporating Monitor's comments; receipt and review of email from L. DeFalco regarding cash flow issues facing MTC including four million dollars in accounts receivable; email to L. DeFalco requesting further information; receipt and review of email from L. DeFalco in response to Monitor's inquiry and forwarding final report to LB and RDP for review and comment; email exchange with LB regarding further revision of Monitor's letter to Court and as regards proposed Third Order Amending Preliminary Injunction; telephone conference with LB regarding revisions to Monitor's letter to Court.

0.60

12/23/2011

NRA Email from LB forwarding additional comments and suggestions regarding Monitor's letter to the Court; email to LB attaching proposed stipulated final Order, referencing sections to be cited in footnote of Monitor's letter to Court; receipt and review of final draft of Monitor's letter to Court and forwarding executed copy to RDP for electronic filing with Court.

0.60

12/24/2011

NRA Review of J. LaRosa's comments regarding draft copy of proposed final Order - prior to execution by Defendant's and noting comments regarding language referenced in footnote 2 of Monitor's letter; review of executed copy of proposed final Order which confirms that issue referenced in footnote 2 of Monitor's letter to Court was corrected

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prior to execution; email to RDP and LB  
advising of same and requesting their  
review and comment; telephone conference  
with RDP and requesting that RDP forward  
email to parties advising of error in  
footnote 2 and further advising that  
Monitor's counsel will notify Court on  
12/27/11.

0.50

12/27/2011

NRA Email from Robert Anguizola, Esq., FTC  
counsel regarding Monitor's letter to  
Court recommending that Court approve  
third amendment to Preliminary Injunction  
and requesting Monitor withdraw his  
recommendation; telephone conference with  
Robert Anguizola regarding his email and  
Monitor's position on the contents of  
letter; telephone conference with RDP  
advising him of conversation with FTC  
counsel and requesting that RDP draft  
letter to Court with copies to counsel  
addressing the correction to footnote 2  
referenced in prior email (December 24th)  
to counsel; receipt and review of  
execution of Monitor's letter to Court  
and executing same.

0.50

12/29/2011

NRA Telephone conference with J. Zabaneh  
regarding financial status of MTC and  
advising that she will be on vacation and  
providing her personal email address.

0.10

FOR CURRENT SERVICES RENDERED

15.00 6,750.00

## Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Nicholas R. Amato	15.00	\$450.00	\$6,750.00

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12/16/2011	Postage Expense	<u>1.88</u>
	TOTAL EXPENSES	1.88
	TOTAL AMOUNT OF THIS BILL	6,751.88
	PREVIOUS BALANCE	\$15,548.90
	BALANCE DUE	<u>\$22,300.78</u>

Aged Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
6,751.88	8,460.00	7,088.90	0.00	0.00	0.00

PLEASE INDICATE CLIENT NUMBER ON YOUR CHECK